BOND ISSUANCE PROCESS

Example

Action includes **bondholder** Action includes borrower Borrower submits loan application Authority, borrower, underwriter to issuing Authority and legal counsels meet to sign the legal documents (closing) Authority staff, lawyers (bond counsels), bankers, and the borrower and/or the borrower's Underwriter completes the sale of counsel have conference calls to the bonds to **bondholders** at the develop all the necessary legal agreed upon price documents Trustee (fund custodian Authority directs a banker representing bondholders) receives (underwriter), who specializes in funds bonds, to sell the bonds on the market Trustee transfers funds to **Underwriter** markets the bonds to Borrower people or organizations, who want an investment (bondholders), and agree on a purchase price (pricing) Borrower makes scheduled payments to the **Authority** through the paying agent (often the trustee) Borrower signs a contract (known as the Purchase Contract) with the Authority and the authority signs one with the underwriter agreeing to the price and committing to the sale (loan) Paying agent makes scheduled payments to bondholders